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SUPREME COURT, U. S.
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CHARLES ELMORE CROPLEY

IN THE

Supreme Court of the United States

OCTOBER TERM, 1948.

No. 596

PHILCO CORPORATION,

Petitioner,

vs.

F. & B. MFG. CO.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

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PETITION FOR WRIT OF CERTIORARI TO THE COURT OF APPEALS FOR THE SEVENTH CIRCUIT.

To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Your petitioner, Philco Corporation, plaintiff in the District Court, appellant below, respectfully prays that a writ of certiorari issue to the United States Court of Appeals for the Seventh Circuit to review a judgment of that Court entered on December 1, 1948.

The judgment here sought to be reviewed affirmed a judgment of the United States District Court for the Northern District of Illinois (Judge Igoe) in favor of the respondent. The opinion of the Court of Appeals is reported in 170 Fed. (2d) 958. It appears at page 364 of the record, and as appendix "C" to this petition.

I.

Statement.

The proceeding in the District Court was a civil action to enjoin the use of a colorable imitation of a federally registered trade-mark and to enjoin unfair competition. The action was brought by Philco Corporation, a Pennsylvania corporation, the owner of the registered trade-mark PHILCO, used on a large variety of products, including automobile radio repair parts, against F. & B. Mfg. Co., an Illinois corporation, to enjoin the use of the word FILKO on automobile ignition repair parts.

The registered trade-mark PHILCO is a coined word derived from petitioner's one time corporate name, Philadelphia Storage Battery Co. It is registered for electrical products, such as condensers, resistors, transformers, coils, switches and fuses. (Rec. 356-358.)

The mark FILKO used by respondent is the last name of one of the founders of respondent's business. It is unregistered.

Petitioner's use and registration of the trade-mark PHILCO is long prior to respondent's adoption and use of the mark FILKO.

The similarity of the products of the parties involved in the action are shown by the illustrations on the following page[1]:

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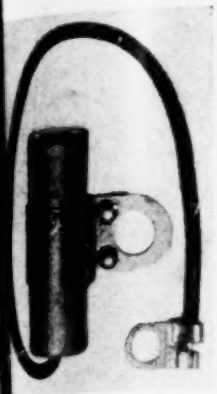
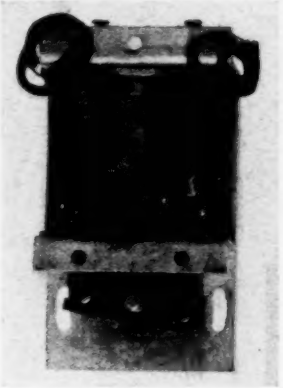
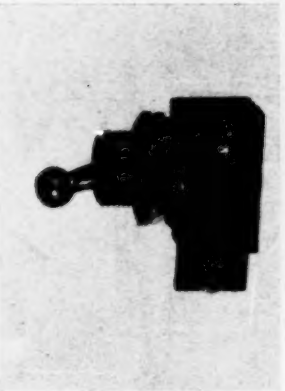
1. Other products involved in the action are shown in the illustrations which appear as Appendices "A" and "B" to this petition. These products, Petitioner's Exhibits 2-33 (Petitioner's products) and Petitioner's Exhibits 35-51 (Respondent's products) have been forwarded, for inspection, to the Marshal of this Court



(Petitioner's Ex. #2)
CONDENSER

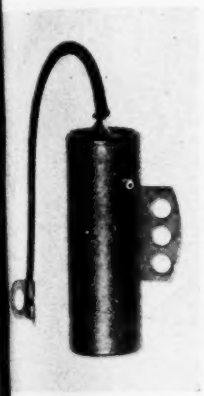


(Petitioner's Ex. #12)
RELAY

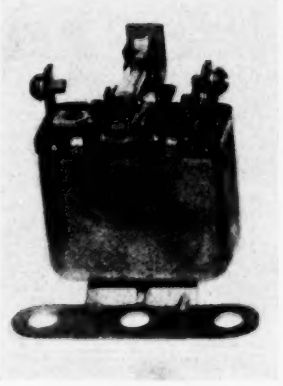


(Petitioner's Ex. #11)
SWITCH

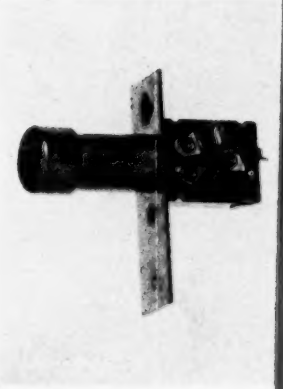
PETITIONER'S PRODUCTS



(Petitioner's Ex. #35)
CONDENSER



(Petitioner's Ex. #43)
RELAY



(Petitioner's Ex. #36)
SWITCH

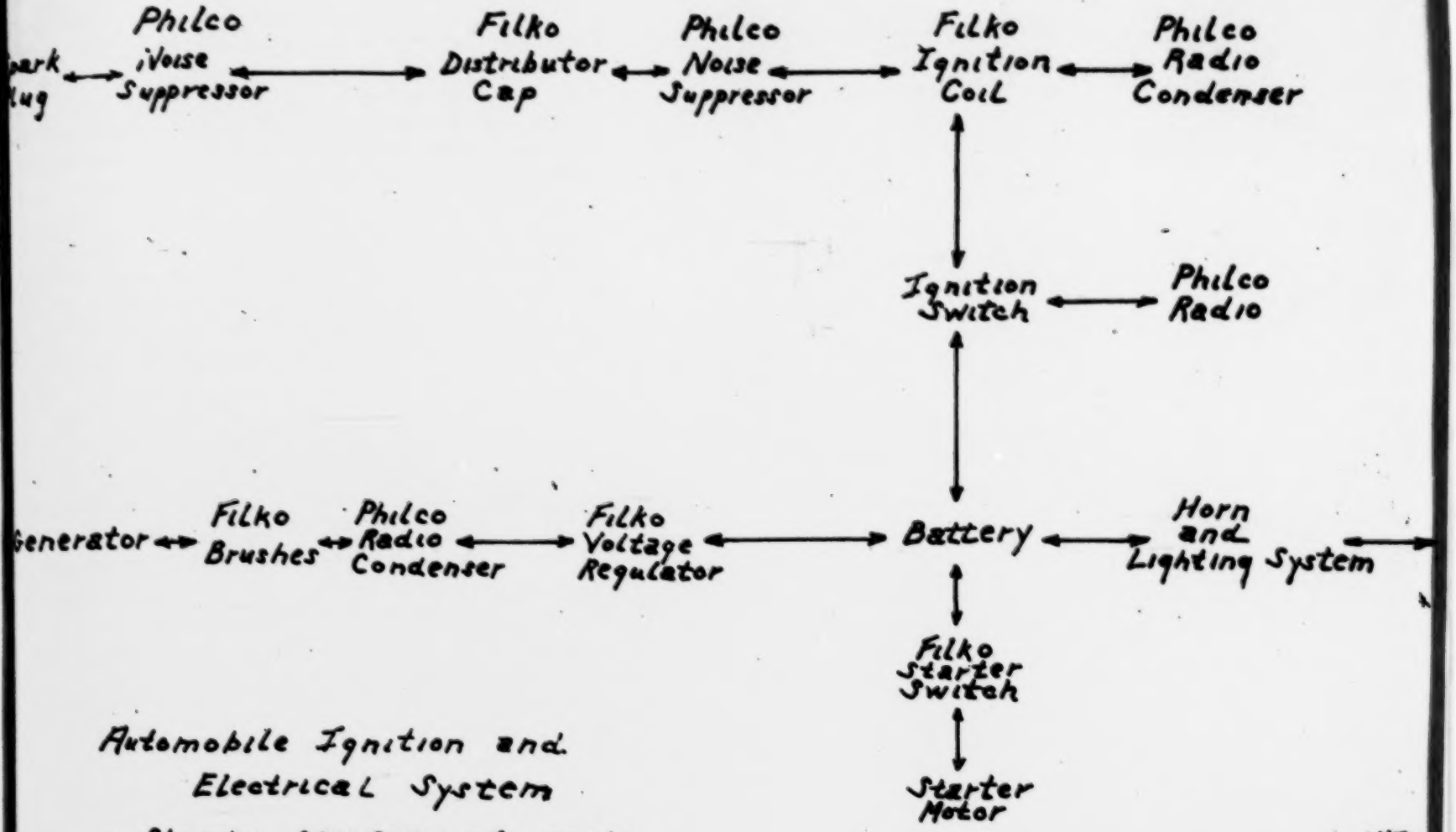
RESPONDENT'S PRODUCTS

Some of the parts to which the petitioner applies the trade-mark PHILCO and the respondent applies the mark FILKO are identical. Such products are:

Condensers	Wrenches
Condenser Testers	Lock Washers
Coils	Screws
Switches	Screw Drivers

The respondent makes a voltage regulator which it sells under the name FILKO and the petitioner makes a suppressor which it sells under the name PHILCO that fits into the voltage regulator made by the respondent. The respondent sells an ignition distributor cap under the name FILKO and petitioner makes a suppressor, which it sells under the name PHILCO, that fits into the distributor cap made by the respondent. Petitioner's suppressor which it sells under the name PHILCO, fits into respondent's ignition coil which it sells under the name FILKO, and is adapted for this purpose. Thus we have three examples of PHILCO parts which fit into FILKO parts. (Rec. 272.)

Indeed, some of the products of the parties are interchangeable in the ignition system of an automobile, as shown by the following illustration (Rec. 326):



Plaintiffs Exhibit
Defendants Exhibit
Identified
Received
In the District Court of the United States, Northern District of Illinois, Eastern Division
No.
Thomas M. Ryan - Official Court Reporter

(Petitioner's Exhibit 82)

Despite the similarity of the goods and despite the fact that orally the names PHILCO and FILKO are the same, the District Court held that no confusion is likely to result from their concurrent use, and that the mark FILKO is not a colorable imitation, or an infringement, of petitioner's registered trade-mark PHILCO. The Court of Appeals affirmed.

The decision of the Court of Appeals, affirming the District Court is so manifestly wrong in that it is in direct contravention of the United States trade-mark statutes of 1905 and 1946, the International Conventions, the law of the State of Illinois, and the federal decisions in other circuits that the petitioner files this petition for certiorari.

II.

Jurisdiction.

(a) The jurisdiction of this Court is based upon Section 240 of the Judicial Code (28 U. S. C. A. Sec. 347); and,

(b) The issue involves the construction of the Remedial Section (15 U. S. C. A. 1114) of the federal trade-mark act of July 5, 1946 (15 U. S. C. A. 1051-1127).

This is the first time this new trade-mark act has been before this Court for construction.

III.

The Questions Presented.

(1) Is respondent's trade-mark FILKO used on automotive ignition repair parts, wrenches, lock washers, screws, and screw drivers, an infringement of petitioner's federally registered trade-mark PHILCO used on repair parts for automobile radios, wrenches, lock washers, screws and screw drivers?

(2) Are the goods of the respondent, such as condensers, condenser testers, coils, switches, wrenches, lock washers, screws and screw drivers merchandise of "substantially the same descriptive properties" under Sect. 16, Trade-Mark Act of 1905,* as the goods set out in petitioner's Registration No. 400,943 (Petitioner's Ex. 61, Rec. 356), namely, condensers, resistors, transformers, coils, switches, fuses?

(3) Is the mark FILKO, when applied by respondent to its goods, "likely to cause confusion or mistake, or to deceive purchasers as to the source of origin of such goods," (Sec. 32, Trade-Mark Act of 1946)—that is, are respondent's goods likely to be assumed to come from petitioner, which sells similar goods under the trade-mark PHILCO?

IV.

Reasons for the Allowance of the Writ.

The decision of the Court of Appeals raises questions of public importance in the following respects:

(1) The decision of the Court of Appeals denied to petitioner the remedies afforded to the owner of a registered trade-mark from infringement by colorable imitation, under Sec. 32 of the Federal Trade-Mark Act of 1946 (15 U. S. C. A. 1114) which provides relief against the use of an infringing mark which is calculated to cause confusion or mistake or to deceive purchasers as to the source of origin of the infringer's goods.

It is of vital importance to the owner of a trade-mark and to the public to prevent the use of an infringing mark which will cause confusion, mistake and deceive purchasers as to the source of goods upon which the infringing mark is used.

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* Note. This is the act in force when the action was begun.

(2) The decision of the Court of Appeals, although correctly stating the rule of law that "a distinctive mark or name will be broadly protected as a trade-mark," failed to give petitioner's distinctive federally registered trade-mark such protection.

It is of prime concern that the owner of a trade-mark, which is often the owner's most valuable asset, should have broad protection in order to prevent the whittling away and dilution of the trade-mark, and to prevent fraud and deception of the public.

(3) The decision of the Court of Appeals sanctions the misappropriation of petitioner's distinctive trade-mark. This court held in *Schechter* v. *U. S.*, 295 U. S. 495 at page 531, that misappropriation of a trade-mark as well as misrepresentation resulting from the use of an imitation is unfair competition and actionable. Both are present here.

(4) The decision of the Court of Appeals holds that there is no infringement of a registered trade-mark, and that there is no unfair competition unless the parties are in actual competition in the sale of identical goods. Such a holding is in contravention of the law of the State of Illinois, wherein this action arose. For example, in *Lady Esther, Ltd.* v. *Lady Esther Corset Shoppe, Inc.*, 317 Ill. App. 451, the defendant was enjoined from using the name LADY ESTHER as a trade-mark for women's underwear in an action by the owner of that trade-mark for cosmetics.

(5) The decision of the Court of Appeals is in conflict with the General Inter-American Convention for trade-mark and commercial protection (46 Stat. 2907), which provides that the simulation of trade-marks is an act of unfair competition (Ch. 4, Art. XXI, Robert's New Trade-Mark Manual, page 319).

(6) The Court of Appeals held that respondent had the right to use the name FILKO as a trade-mark, notwith-

standing petitioner's use and registration of its trade-mark PHILCO, because it is the surname of one of the respondent's officers.

The Court of Appeals in so holding, read into the Trade-Mark Act of 1946 a provision that is not there. Sec. 32 of the Trade-Mark Act prohibits the reproduction, counterfeit, copy or colorable imitation of a registered trade-mark, and has no provision therein exempting the use of a reproduction, counterfeit, copy or a colorable imitation of a registered mark if it is the name of a person connected with the infringer.

It is of prime concern to the owners of registered trade-marks to be protected from all infringing uses, even though the infringing mark is the name of someone connected with the infringer. Such an infringement is just as damaging to the registrant, and is just as misleading to the public, as though the infringing mark were a coined mark.

(7) The decision of the Court of Appeals relied upon the cases of *Brown Chemical Company* v. *Meyer*, 139 U. S. 540, decided in 1891; *Singer* v. *June Mfg. Co.*, 163 U. S. 169, decided in 1896; and *Howe Scale Co.* v. *Wyckoff*, 198 U. S. 118, decided in 1905. These cases were decided before the enactment of the Trade-Mark Statutes of 1905 and 1946, neither of which has any provision condoning the use of a personal name as a trade-mark which is a colorable imitation of a federally registered trade-mark.

The above cases were specifically overruled by this court in *Waterman* v. *Modern Pen Co.*, 235 U. S. 88, decided in 1914.

(8) The decision of the Court of Appeals of the Seventh Circuit is in conflict with the decisions of other circuits, wherein infringing marks were enjoined which were used

on goods far more dissimilar than are the goods of the parties to this action.

Some of these cases are:

Aunt Jemima Mills Co. v. *Rigney & Co.*, 247 Fed. 407 (C. C. A. 2).

The plaintiff sold pancake flour under the trade-mark AUNT JEMIMA. The defendant was enjoined from using this mark on syrup.

Yale Electric Corporation v. *Robertson*, 26 Fed. (2d) 972 (C. C. A. 2).

The use of the word YALE as a trade-mark for flash-lights was held to be an infringement of this mark used on hardware, especially locks and keys.

Waterman v. *Gordon*, 72 Fed. (2d) 272 (C. C. A. 2).

The use of the name WATERMAN on razor blades was held to be an infringement of the name WATERMAN for fountain pens.

Hanson, et al. v. *Triangle Publications, Inc.*, 163 Fed. (2d) 74 (C. C. A. 8).

Plaintiff published a magazine under the title SEVENTEEN. The defendant was enjoined from using the word SEVENTEEN as a trade-mark for girls' dresses.

Triangle Publications, Inc. v. *Rohrlich*, 167 Fed. (2d) 969 (C. C. A. 2).

The use of the trade-mark SEVENTEEN on women's girdles was enjoined in an action by the owner of this trade-mark for the title of a magazine.

Vogue Co. v. *Thompson-Hudson Co., et al.*, 300 Fed. 509 (C. C. A. 6).

The use of the name VOGUE on women's hats was held to infringe the use of the name VOGUE as a title for a magazine.

Conclusion.

The importance of review by this Court of the decision of the Court of Appeals for the Seventh Circuit cannot be overestimated; since it is of utmost importance that this Court settle the law as to whether, in a statutory action for trade-mark infringement and in an unfair competition action, the goods of the parties must be identical and in direct competition to obtain relief against infringement.

It is of the utmost importance that this Court review the decision of the lower court which held, in effect, that the remedial section of the trade-mark act of 1946, prohibiting the use of a colorable imitation of a registered trade-mark, is not applicable when the infringing mark is the name of an individual connected with the infringer.

It is also of the utmost importance that this Court construe the remedial section of the new trade-mark act as to the protection that should be given to a registered trade-mark when it is obvious and was proved that the infringing mark will result in confusion and mistake and deceive purchasers as to the source of origin of the infringer's goods.

Unless the above questions are clarified by this Court, the law will continue to be in a state of confusion because of the conflict of this decision with the decisions in other circuits.

WHEREFORE, YOUR PETITIONER PRAYS THAT a Writ of Certiorari be issued out of and under the seal of this Court, directed to the United States Court of Appeals for the Seventh Circuit, commanding the said Court to certify

and send to this Court, on a day to be designated, a full transcript of the record and all proceedings of said Court in the case numbered and entitled on its docket Number 9474, *Philco Corporation, Plaintiff-Appellant,* v. *F. & B. Mfg. Co., Defendant-Appellee,* to the end that this case may be reviewed and determined by this Court; that the judgment of said Court of Appeals for the Seventh Circuit be reversed; and that petitioner be granted such other and further relief as to this Honorable Court may seem meet and proper.

Respectfully submitted,

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BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

I.

THE OPINION BELOW.

The United States Court of Appeals for the Seventh Circuit entered judgment on December 1, 1948. The opinion is reported in 170 Fed. (2nd) 958 and appears as an appendix to this brief.

There was no opinion by the District Court.

II.

JURISDICTION.

The petition sets forth at page 6 a statement of the grounds upon which the jurisdiction of this Court is invoked.

III.

STATEMENT OF THE CASE.

The petition sets forth beginning at page 6 the questions presented.

IV.

SPECIFICATION OF ERRORS.

The petition beginning at page 7 states the errors relied upon (Reasons For The Allowance of The Writ) which will be discussed in this brief.

V.

ARGUMENT.

1. The Court of Appeals Denied to Petitioner the Statutory Remedy for Infringement of Its Registered Trade-Mark by Colorable Imitation.

The Court of Appeals in its opinion said: "The Trade-Mark Act of 1946, Title 15, Section 1051 U. S. C. A. is determinative of the rights of plaintiff." Notwithstanding this holding, the Court of Appeals failed to follow the remedial Section of this act, which reads as follows:

> Sec. 32 (1) "Any person who shall, in commerce, (a) use, without the consent of the registrant, any reproduction, counterfeit, copy, or colorable imitation of any registered mark in connection with the sale, offering for sale, or advertising of any goods or services on or in connection with which such use is likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods * * * shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided * * *."

The Court of Appeals held that the respondent, F. & B. Mfg. Co., has the right to use the name FILKO as a trade-mark for its products because John Filko is an executive officer of the respondent corporation. The court, in so holding, read into the statute a provision that is not there. The Trade-Mark Act of 1946 does not justify the use of a colorable imitation (and surely FILKO is a colorable imitation of PHILCO) of a registered trade-mark if it happens to be the surname of an individual connected with the infringer. If it had been the intent of Congress to permit

this exception, the Act would have so provided; but there is no such provision in the Act, therefore, an infringing mark which is a personal name should be enjoined just as any other infringing mark.

The District Court and the Court of Appeals should have taken judicial notice of the fact that any "FILKO" electrical device indicates that it is put out by the PHILCO CORPORATION, since the name PHILCO is so widely known to the American public in association with electrical products. Moreover, the petitioner proved by competent witnesses that FILKO products would be attributed to the PHILCO CORPORATION.[1]

2. Petitioner Proved the Likelihood of Confusion Between Philco Products and Filko Products.

Dealers and advertising men were called on behalf of the petitioner who testified that there is likelihood of confusion between petitioner's PHILCO products and respondent's FILKO products. Professor Norman C. Meier, an eminent psychologist of the University of Iowa, testified as to the confusing similarity of the marks PHILCO and FILKO after he had run tests in his classroom.

Typical of this testimony is that of L. W. Stratton, Merchandise Manager of Wieboldt Stores, Inc. of Chicago, who testified as to the likelihood of confusion between PHILCO and FILKO parts as follows (Rec. 111-112):

> "Q. To whom would you attribute Philco automotive parts?
>
> "A. I would immediately attribute that to Philco Company of Philadelphia.
>
> "Q. And, basing your answer on your experience, to whom would you say your customers would attribute Philco automotive parts?
>
> "A. The same.

1. (Rec. 61-82, 89-114.)

"Q. Now, suppose the name were spelled F-i-l-k-o; to whom would you attribute such products?

"A. I would be immediately confused.

"Q. And why would you be confused?

"A. Well, the name is so similar, that I would—not being familiar with F-i-l-k-o, I would immediately investigate to find out why F-i-l-k-o.

"Q. Basing your answer on your experience, to whom, in your opinion, would the public attribute F-i-l-k-o automotive products?

"A. I would think they would attribute it to the Philco Company of Philadelphia.

"Q. Do you handle any F-i-l-k-o products?

"A. I don't believe we do.

"Q. And would you carry that line of products?

"A. We might.

"Q. If you did carry that line of products, F-i-l-k-o, and since you carry P-h-i-l-c-o products, do you think there would be any confusion in your store?

"A. Very much so.

"Q. And what sort of confusion do you think you would have?

"A. Both of them on the same counter, packaged the way I saw the first F-i-l-k-o item this morning—I saw it here; there it is—when I first glanced at it, I thought it was a Philco item. That's absolutely the truth.

"Q. When you say Philco item now, how do you spell it?

"A. P-h-i-l-c-o.

"Q. And why did you think that was a Philco item?

"A. Just glancing at it, a black background and white lettering on the black background, reversed type; if I had two items on the counter, we would certainly feel immediately we were confusing the public. We would have to take one or the other off."

The Court of Appeals in its opinion made no comment on this testimony, and failed to give consideration and proper weight to it since it definitely established the like-

lihood of confusion as to the source of origin of respondent's products.

In addition to proving likelihood of confusion, the petitioner proved passing off of FILKO products on written orders for PHILCO products.[1] In no instance did a dealer state to the customer that the product being sold was a FILKO product and not a PHILCO product, which indicates that the dealers do not distinguish visually between the names PHILCO and FILKO. No one can distinguish orally between these names. The Answer admits that orally they are the same.

3. The Court of Appeals Should Have Applied the Law of Illinois as Laid Down in the Lady Esther Case to the Unfair Competition Phase of This Action.

The opinion of the Court of Appeals holds that a trade-mark will be protected only within the range of use on similar goods. Petitioner's position is that the goods involved in this action are similar, since they are parts connected with the electrical systems of an automobile. They all go under the hood or on the instrument board of an automobile, and even though petitioner's products are used largely for automobile radios and the respondent's are for the ignition system, they are similar goods.

The court took too narrow a view of the protection that should be given to trade-marks; and, moreover, the decision is in conflict with the law of Illinois on the question of unfair competition as established in *Lady Esther, Ltd.* v. *Lady Esther Corset Shoppe, Inc.*, 317 Ill. App. 451, which held that there can be unfair competition even though there is no actual competition. In the *Lady Esther* case, the plaintiff was a manufacturer of cosmetics which it sold under

1. (Rec. 16, 17.)

the trade-mark LADY ESTHER. The defendant used this mark on lingerie. There was no competition between the parties, yet the defendant was enjoined from using plaintiff's trade-mark on the ground that the public was likely to assume that defendant's goods come from the plaintiff. If there is likelihood of the public's assuming that ladies' underwear and cosmetics sold under the same mark come from the same source, surely there is likelihood of the public's assuming that automobile ignition repair parts and automobile radio repair parts, sold under names identical as pronounced, come from the same source.

The manufacture of automobile ignition repair parts would be a logical and natural expansion of petitioner's business under its PHILCO trade-mark.

Judge O'Connor, in the *Lady Esther* case, in holding that there can be unfair competition without actual competition, said:

> "In the instant case we think it clear that the public might be deceived into thinking there was some connection between the defendant and the plaintiff companies. And the good-will of plaintiff, which it had built up at great expense over a period of years, would be whittled away. Courts of equity ought not to be so feeble as to be unable to prevent this."

Under the holding of this Court in *Erie R. R.* v. *Tompkins*, 304 U. S. 64, the Court of Appeals should have followed the Illinois law as established by the *Lady Esther* decision in considering the unfair competition phase of the case.

4. A Man Has the Right to Engage in Any Legitimate Business Which He Chooses, But He Does Not Always Have the Right to Use His Name as a Trade-Mark.

The respondent, in its brief in the Court of Appeals, relied upon the cases of *Brown Chemical Company* v. *Meyer*, 139 U. S. 540 and *Howe Scale Company* v. *Wyckoff, Seamans & Benedict*, 198 U. S. 118, and the Court of Appeals cited these cases in support of its position that the defendant has the right to use the name FILKO as a trade-mark because it is the name of one of defendant's officers. The Court also cited *Singer* v. *June*, 163 U. S. 169.

These are all old cases. The *Brown Chemical Company* case was decided in 1891, the *Singer* case in 1896, and the *Howe Scale* case in 1905. All were decided before the enactment of the trade-mark statutes of 1905 and 1946, neither of which has any provision justifying the use of a personal name as a trade-mark when it is a colorable imitation of a federally registered trade-mark. These cases were specifically overruled by this Court in *Waterman* v. *Modern Pen Co.*, 235 U. S. 88, decided in 1914. In commenting on the contention that a man has the right to use his own name in his own business, Mr. Justice Holmes said (p. 94):

> "In support of this proposition the defendant lays hold of language in *Howe Scale Co.* v. *Wyckoff, Seamans & Benedict*, 198 U. S. 118, 140, and in other books, to the effect that courts will not interfere with the use of a party's own name 'where the only confusion, if any, results from a similarity of the names and not from the manner of the use.' *But, whatever generality of expression there may have been in the earlier cases,* it now is established that when the use of his own name upon his goods by a later competitor will and does lead the public to undertsand that those goods are the product of a concern already established and

> well known under that name, and when the profit of the confusion is known to and, if that be material, is intended by the later man, the law will require him to take reasonable precautions to prevent the mistake." (Emphasis ours.)

The above rule of law was incorporated in the present trade-mark act of July 5, 1946, wherein it prohibits the use of a reproduction, counterfeit, copy or a *colorable imitation* of a registered trade-mark where such use is likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods. There is no provision in this act exempting the infringing use of a personal name as a trade-mark.

The above rule of law was incorporated in the General Inter-American Convention for Trade-Mark and Commercial Protection, of which the United States is a member. Chapter 4, Art. 21 defines unfair competition as follows (Robert's *New Trade Mark Manual,* p. 319):

> "(a) Acts calculated directly or indirectly to represent that the goods or business of a manufacturer, industrialist, merchant or agriculturalist are the goods or business of another manufacturer, industrialist, merchant or agriculturist of any of the other Contracting States, whether such representation be made by the appropriation or *simulation of trade marks,* symbols, distinctive names, the imitation of labels, wrappers, containers, commercial names, or other means of identification." (Emphasis ours.)

The Union Convention contains a similar definition of unfair competition. (Robert's *New Trade-Mark Manual,* p. 307.)

There is no provision in either of the above Conventions excepting the infringing use of a personal name as a trade-mark.

In *Bacardi Corporation* v. *Domenech,* 311 U. S. 150

(1940), Mr. Chief Justice Hughes, in discussing the Inter-American Convention, said at page 161:

> "This treaty, on ratification, became a part of our law. No special legislation in the United States was necessary to make it effective."

Not only has this Court held that these Conventions are part of our statutory law, but they were expressly made so by an act of Congress in the Trade-Mark Act of 1946. (Title IX.)

The three cases cited in the opinion of the Court of Appeals were not only reversed by this Court in the *Waterman-Modern Pen* case, but have been reversed by the Trade-Mark Act of 1946, the General Inter-American Convention, and the Union Convention.

Of course, to bring this case within the provisions of the trade-mark act and the Conventions, it must first be conceded that FILKO is a colorable imitation of the registered trade-mark PHILCO, or that FILKO is a simulation of the trade-mark PHILCO, to use the term of the Conventions. Surely FILKO is a colorable imitation of and a simulation of the registered trade-mark PHILCO. Defendant's Answer admits that the pronunciation is the same. (Rec. 9.) If FILKO is not a colorable imitation, or a simulation of PHILCO, then these terms as used in the trade-mark statute and the Conventions are meaningless, and there can be no infringement short of an exact duplication of a trade-mark.

5. The Decision of the Court of Appeals Is in Conflict With the Trade-Mark Statute, the International Conventions, the Law of Illinois, and the Decisions of Other Circuits.

The opinion of the Court of Appeals in this action is not only in contravention of the Trade-Mark Acts of 1905 and 1946, the International Conventions, and the Law of Illinois as established in the *Lady Esther* case, but is in conflict with the decisions in other circuits [1] such as *Waterman* v. *Gordon*, 72 Fed. (2d) 272, wherein the use of the name WATERMAN was enjoined on razor blades. Judge Patterson, of the District Court (8 Fed. Supp. 351), in commenting on the defense that there was no competition between the parties and that the goods were different, said at page 353:

> "The defendant's other point is that both infringement of trade-mark and unfair competition are negatived by the fact that the products involved—fountain pens and razor blades—are not goods in the same class and are not in competition. There was a time when such an argument would have furnished a crushing answer. But more recently it has been recognized that concerns with valuable trade-marks and valuable good will are entitled to protection of a broader sort. When others borrow the trade-mark for articles of another kind, the impression is frequently spread that these articles also are the product of the proprietor of the trade-mark. It is supposed by many that the old concern has gone into a new field. To create that impression is of course the hope and purpose of the newcomer. The result is that by deception he gets an advantage which he has not earned, while the proprietor is put to the hazard of losing his reputation in case the articles or business methods of the

1. Pages 9-11 of the petition.

other damage the value of his trade-mark. It is now the generally (though not universally) recognized rule that a trade-mark used on one article cannot be appropriated by a stranger for use on another kind of article in any case where there is likelihood that the purchasing public will be deceived into believing that the new article is the product of the established proprietor of the trade-mark."

Judge Learned Hand, in affirming the decision of the District Court (72 Fed. (2d) 272), said at p. 273:

> "*It is now well settled in this country that a trade-mark protects the owner against not only its use upon the articles to which he has applied it, but upon such other goods as might naturally be supposed to come from him. Aunt Jemima Mills Co.* v. *Rigney,* 247 F. 407, L. R. A. 1918C, 1039 (C. C. A. 2); *Akron-Overland Co.* v. *Willys-Overland Co.,* 273 F. 674 (C. C. A. 3); *Vogue Co.* v. *Thompson-Hudson Co.,* 300 F. 509 (C. C. A. 6); *Wall* v. *Rolls-Royce,* 4 F. (2d) 333 (C. C. A. 3); *Yale Electric Corporation* v. *Robertson* (C. C. A.); 26 F. (2d) 972; *Duro Co.* v. *Duro Co.,* 27 F. (2d) 339 (C. C. A. 3). There is indeed a limit; the goods on which the supposed infringer puts the mark may be too remote from any that the owner would be likely to make or sell. It would be hard, for example, for the seller of a steam shovel to find ground for complaint in the use of his trade-mark on a lipstick. But no such difficulty arises here; razor blades are sold very generally by others than razor blade makers, and might well be added to the repertory of a pen maker." (Emphasis ours.)

The opinion of the Court of Appeals states that petitioners' products are sold widely to the general public, and that respondent's products are sold to men in industry who desire repair parts for the ignition system in automobiles, and it advertises in trade journals to reach jobbers, garages and service stations. We desire to empha-

size the fact that respondent's products are also sold to the general public by retail dealers who handle both automobile and radio repair parts.[1] The general public purchases both petitioner's and respondent's products from retail dealers to repair the electrical systems of their automobiles. The Court of Appeals either overlooked or just disregarded this part of the record.

In *Yale Electric Corporation* v. *Robertson*, 26 Fed. (2d) 972 (C. C. A. 2d), it was held that the use of the trade-mark YALE on flashlights and batteries infringed the use of this mark for hardware, especially locks and keys.

The Court, in commenting on the fact that a trade-mark should be protected broadly, even outside the owner's field, said at page 974:

> "However, it has of recent years been recognized that a merchant may have a sufficient economic interest in the use of his mark outside the field of his own exploitation to justify interposition by a court. His mark is his authentic seal; by it he vouches for the goods which bear it; it carries his name for good or ill. If another uses it, he borrows the owner's reputation, whose quality no longer lies within his own control. This is an injury, even though the borrower does not tarnish it, or divert any sales by its use; for a reputation, like a face, is the symbol of its possessor and creator, and another can use it only as a mask. And so it has come to be recognized that, unless the borrower's use is so foreign to the owner's as to insure against any identification of the two, it is unlawful. *Aunt Jemima Mills Co.* v. *Rigney*, 247 F. 407 (C. C. A. 2) L. R. A. 1918 C, 1039; *Akron-Overland* v. *Willys-Overland*, 273 F. 674 (C. C. A. 3); *Vogue Co.* v. *Thompson-Hudson Co.*, 300 F. 509 (C. C. A. 6); *Wall* v. *Rolls-Royce*, 4 F. (2d) 333 (C. C. A. 3). *Although it is quite true that the point is still open in the Supreme Court.*" (Emphasis ours.)

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1. (Rec. 114, 115, 117, 125, 128, 132-134, 165.)

Derenberg, on "Trade-Mark Protection and Unfair Trading," in discussing the use of a federally registered trade-mark on related goods, says at page 441:

> "It is to be hoped that the Supreme Court, which has not yet had occasion to express itself on this point, will adopt the view taken of the doctrine of 'descriptive properties' in the 'Yale' decision."

148 American Law Reports, 35:

> "The question whether actual competition by transactions concerning the same kind of goods or services is a necessary element of an action for infringement of a trade-mark or trade name or for unfair competition has never been decided by the United States Supreme Court."

This case affords an opportunity for this Court to establish a rule of law on the troublesome question, on which the various circuits are in disagreement, of infringement of a federally registered trade-mark by a colorable imitation used on goods that, while in the same general class, are somewhat different from those covered by the registration sued upon.

6. The Decision of the Court of Appeals Is Injurious to the Good Will Inherent in Trade-Marks.

If the opinion of the Court of Appeals of the Seventh Circuit is permitted to stand, it will grealy diminish, if not destroy, the existing good will in trade-marks, which is "property in a very real sense." In *Old Dearborn Distilling Co.* v. *Seagram Distillers Corp.*, 299 U. S. 183, 194, Mr. Justice Sutherland said:

> "And good will is property in a very real sense, injury to which, like injury to any other species of property, is a proper subject for legislation. Good will is a valuable contributing aid to business—some-

> times the most valuable contributing asset of the producer or distributor of commodities. And distinctive trade-marks, labels and brands, are legitimate aids to the creation or enlargement of such good will."

The above rule of law is quite applicable to the present action, since the goods of the parties to this action, such as condensers, fuses and switches for the ignition system of automobiles are so closely related to condensers, fuses and switches for automobile radios.

Moreover, some of the products are identical, such as screws, lock washers and screw drivers. A FILKO screw driver could be used in applying either PHILCO or FILKO screws and lock washers to a PHILCO radio, and a PHILCO screw driver could be used in applying either PHILCO or FILKO screws and lock washers to FILKO ignition parts.

This decision, if allowed to stand, will encourage the use by others of well-established trade-marks, or simulations thereof, on goods which are related to, but may not be the exact goods covered by the registrations of these marks, and such use will result in real injury to trade-marks by the gradual whittling away of the impact of such marks upon the public mind.

As Mr. Justice Frankfurter said in *Mishawaka Rubber & Woolen Works* v. *Kresge,* 316 U. S. 203, it will enable others to poach upon the commercial magnetism of trade-marks.

The decision below, if allowed to stand, will result in misappropriation as well as misrepresentation by poachers in the use of established trade-marks. Misappropriation is unfair competition, as held by this Court in *Schechter* v. *U. S.,* 295 U. S. 495 (1935). Mr. Chief Justice Hughes said at page 531:

> " 'Unfair competition' as known to the common law is a limited concept. Primarily, and strictly, it re-

lates to the palming off of one's goods as those of a rival trader. * * * In recent years its scope has been extended. It has been held to apply to misappropriation as well as misrepresentation, to the selling of another's goods as one's own—to misappropriation of what equitably belongs to a competitor."

Conclusion.

If this decision of the Court of Appeals is to be the law of the Seventh Circuit, then the Seventh Circuit will become a happy hunting ground for trade-mark poachers, and business and the public will suffer.

The decision of the Court of Appeals is out of harmony with the evolution and development of the law for the prevention of trade-mark infringement and unfair competition, and instead of being a step forward is a definite retrogression.

We urgently request that this Court grant a writ of certiorari to the Court of Appeals for the Seventh Circuit, as prayed in the foregoing petition.

Respectfully submitted,

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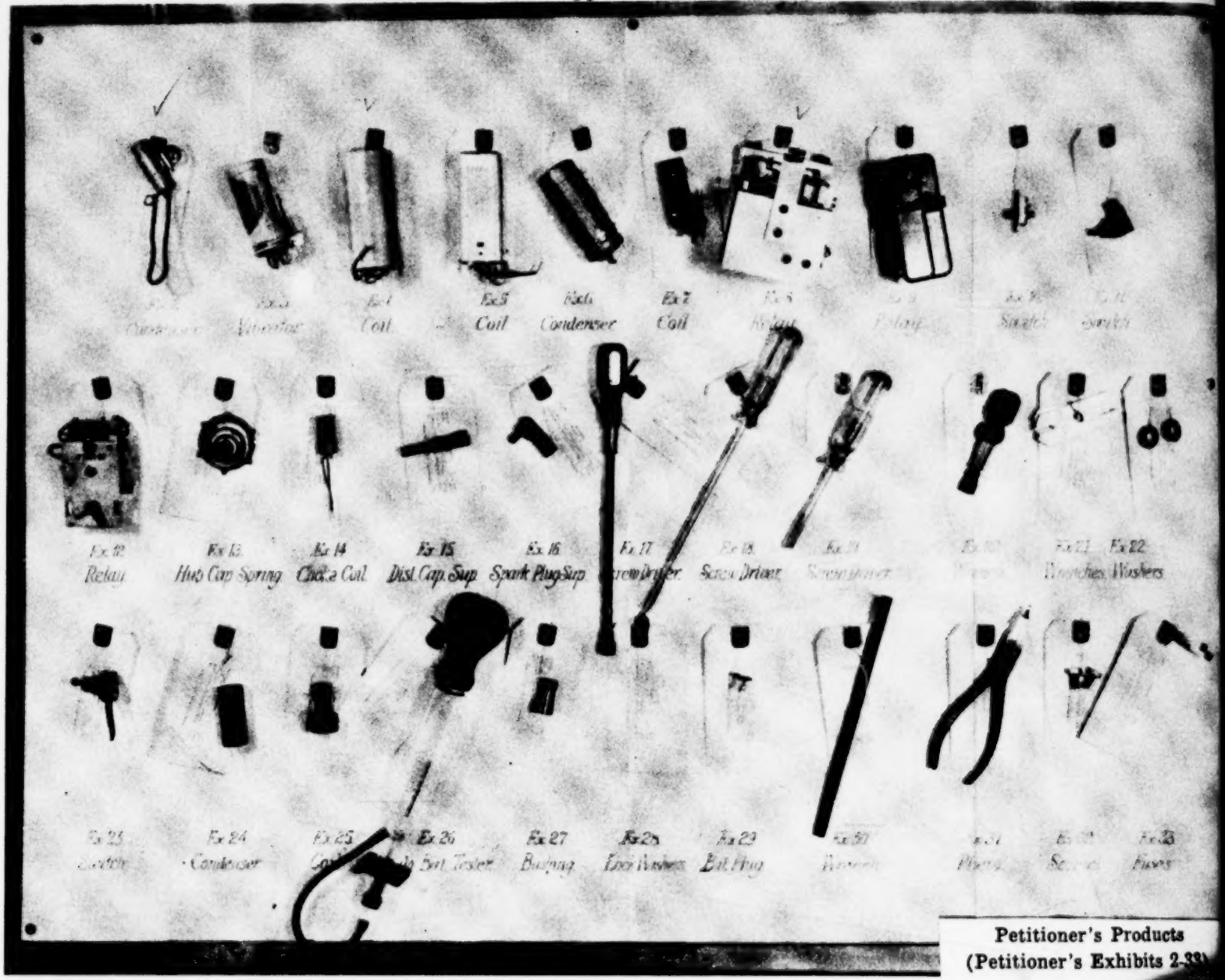
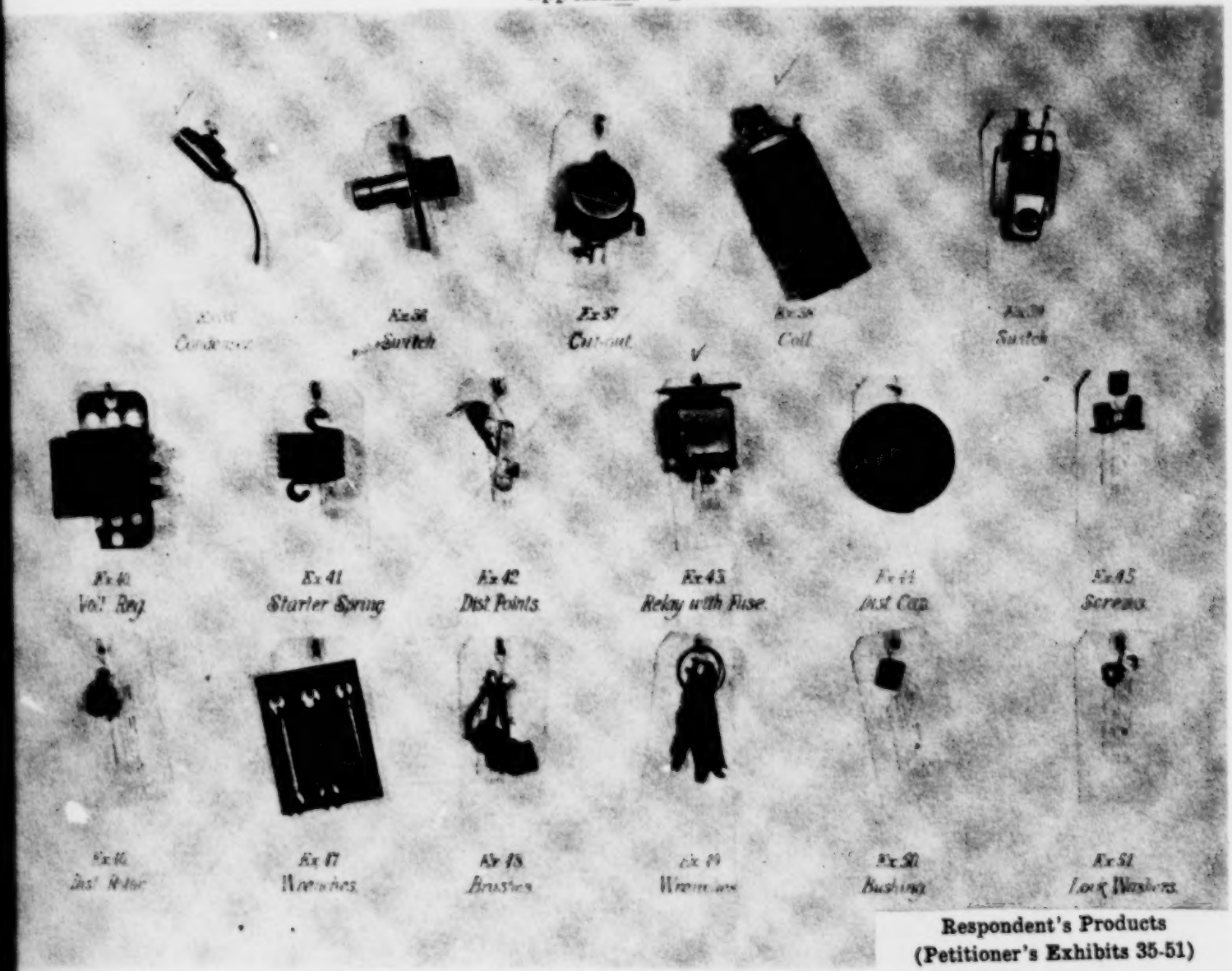
Appendix "A"



Petitioner's Products
(Petitioner's Exhibits 2-33)

Appendix "B"



Respondent's Products
(Petitioner's Exhibits 35-51)

APPENDIX C.

IN THE UNITED STATES COURT OF APPEALS

For the Seventh Circuit.

No. 9474. October Term and Session, 1948.

Philco Corporation,
Plaintiff-Appellant,
vs.
F. & B. Mfg. Co.,
Defendant-Appellee.

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.

December 3, 1948.

Before KERNER and SPARKS, *JJ.*, and LINDLEY, *DJ.*

Lindley, *DJ.* Its suit for infringement of trade-mark having resulted in judgment for defendant, plaintiff appeals.

In its complaint, plaintiff averred that defendant is engaged in distribution of automotive ignition parts, including condensors, relays, switches, starter repair parts, coils and distributors under the brand name "FILKO"; that this name is a colorable imitation of plaintiff's registered trade name "PHILCO"; that defendant's merchandise is of substantially the same descriptive properties as plaintiff's products as described in plaintiff's several trade-mark registrations, and that the continued use of the name

"FILKO" is likely to result in such confusion as to cause defendant's goods to be passed as those of plaintiff.

Defendant answered that John Filko, an executive officer of defendant, entered business as a tool and die-maker for himself in 1923, in Chicago, and shortly thereafter, with one Bohm, engaged in the manufacture of automotive ignition replacement parts; that the partnership continued for 2½ years under the trade name of F. & B. Mfg. Co.; that from 1926 to 1937, Filko was sole owner of and conducted the business under the same trade name; that in 1937 he formed a new partnership under the same name with one Rapp, which persisted until June 1946, when the defendant corporation F. & B. Mfg. Co. was formed; that, while he was in business alone doing business as F. & B. Mfg. Co., Filko adopted and applied his name to the automotive ignition replacement parts which he manufactured and has since successfully continued the business; that, during all of said time, the repair parts were known as Filko parts; that neither he nor the company has dealt in any other character of product except some metal-stamping; that plaintiff's trade-mark "PHILCO" has been used in connection with radios and their appliances and never in connection with replacement ignition parts.

The Trade-Mark Act of 1946, Title 15, Section 1051 U. S. C. A. is determinative of the rights of plaintiff. As announced by this court in *California Fruit Growers Exchange* v. *Sunkist Baking Co.*, 166 F. 2d 971, the Act of 1905 was repealed by the Act of 1946. Under the earlier act, a remedy was granted to the owner of a trade-mark when any person colorably imitated his mark "in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration." The present act provides that a cause of action for infringement exists if the colorable imitation "is likely to cause confusion or mistake or to deceive purchasers as

to the source of origin of such goods * * *." The Supreme Court has held that in the case of marks susceptible of legitimate uses with respect to their primary sense, the reproduction, copy or imitation which constitutes infringement must be such as is calculated to mislead the public with respect to the origin or ownership of the goods and thus to invade the right of the registrant to the use of the name or term as a designation of his merchandise. *Thaddeus Davids Co.* v. *Davids,* 233 U. S. 461. In other words, it was incumbent upon plaintiff to prove that defendant has made a colorable imitation of its registered trade-mark, which is likely to cause confusion as to the source of origin of the goods. In making out this proof, whether the goods are of similar character is not, under the present act, the determining factor, but presence or lack of such similarity is a circumstance pertinent to the issue of whether there exists imitation which is likely to cause confusion as to the source of origin. With that standard in mind we approach the issue presented.

The court found that Filko is the surname of one of defendant's officials; that defendant has never dealt in any goods such as those manufactured by plaintiff or mentioned in the "PHILCO" registrations; that defendant does not sell to the same class of persons as those to whom plaintiff sells but distributes its automotive ignition repair parts directly to wholesalers, jobbers, and service stations or garages, while plaintiff, through its distributors, sells radios and radio parts to the consumer; that plaintiff advertises in publications reaching consumers while defendant advertises only in trade journals addressed to the automotive industry; that plaintiff and defendant are not in competition; that FILKO is not a colorable imitation of PHILCO, and that no confusion exists or is likely to exist.

These are findings of fact based upon evidence produced before the trial court, in part controversial in character.

Several witnesses appeared; of their credibility the court had full opportunity to judge as they testified in open court. In such a situation we are not at liberty to disturb the findings of fact unless we can say as a matter of law that the court's interpretation of the evidence is clearly erroneous.

We think there can be no dispute that in general the goods of plaintiff and those of defendant are not in competition. The evidence clearly supports the finding that defendant is a manufacturer of automotive ignition repair parts sold to jobbers and dealers for replacement of defective parts in automobile ignition systems, not intended to and not offered as having any utility in the installation of radios or other equipment manufactured by plaintiff or the products mentioned in the trade-mark registrations. So far as the facts of this cause are concerned, such of plaintiff's products as are used in automobiles are usually sold in connection with radios installed in automobiles and have nothing to do with and are not intended to be used in repair of defective ignition parts of the motive power unit of the car. The latter parts, defendants' products, include stationary and movable electrical parts in the automobile ignition system serving to carry a current of electricity, so operating as to cause and control ignition of the gas in the motor, thus producing the explosions necessary to operation of an internal combustion engine. Furthermore, defendant's products are intended and utilized for replacement only and, inasmuch as different manufacturers of different makes of automobiles employ different kinds of ignition systems, the manufacture of necessary repair parts covers a wide field in order to embrace not only different automobile manufacturers, but, frequently also, different models of each manufacturer. Defendant makes no devices for initial equipment or installation. It contributes nothing to the original make-up of the ignition

system. It produces only parts designed to repair worn out or defective parts of an already installed ignition system. While it is entirely probable that some of defendant's articles might be used in an electrical hook-up with some of plaintiff's parts manufactured for use in radio attachments, there is no testimony that they were ever so actually used or that it is practical so to use them or that there is any likelihood that they will ever be so used.

Plaintiff's goods are sold widely to the general public. Its advertising is by radio or popular magazine and newspaper advertising. Defendant's products are sold to men in industry who desire repair parts for ignition plants in automobiles, and it advertises in trade journals to reach jobbers, garages and service stations. Defendant's parts are not sold as substitutes for parts in plaintiff's products. The packages of the two parties do not look alike. There is no resemblance between them, either upon a casual observation or upon a more careful scrutiny,—one is green, the other, blue. We think this and other evidence, which we think it unnecessary to reiterate, furnishes ample ground for the court's finding and conclusion to the effect that plaintiff and defendant were not in competition but were appealing to different groups of the public and reaching entirely different markets, with no reasonable likelihood of confusion. A distinctive mark or name will be broadly protected as a trade-mark, but general words or names, which have been applied to and used and registered as trade-marks for a large number and variety of products, will be protected only within the range of use on similar goods. *Peaso* v. *Scott County Milling Co.*, D. C. Mo., 5 F. 2d 524. The mere fact that one person has adopted and used a trade-mark on his goods does not prevent the adoption and use of the same or a similar trade-mark by others on articles of a different description.

Walgreen Drug Stores v. *Obear-Nester Glass Co.*, 113 F. 2d 956 (C. C. A. 8), certiorari denied 61 S. Ct. 174, 311 U. S. 708, 85 L. Ed. 459, rehearing denied 61 S. Ct. 391, 311 U. S. 730, 85 L. Ed. 475. See, also, *Certain-Teed Products Corporation* v. *Philadelphia & Suburban Mortgage Guarantee Co.*, 49 F. 2d 114 (C. C. A. Pa. 1931). Thus a food products trade-mark is not infringed by its use by manufacturer of tobacco, a narcotic. *Beech-Nut Packing Co.* v. *P. Lorillard Co.*, 7 F. 2d 267 (C. C. A. 3), affirmed 273 U. S. 629. Where a trade-mark was registered for "chemicals, medicines and pharmaceutical preparations" relief was denied against its use on cigars. *Peninsular Chemical Co.* v. *Levinson*, 247 F. 658. See also *Gotham Silk Hosiery Co.* v. *Narrow Fabric Co.*, 102 F. 2d 407; *Nieman* v. *Plough Chemical Co.*, 22 F. 2d 73 (C. C. A. 6, 1927), certiorari denied 277 U. S. 603.

In a few isolated instances, upon which plaintiff relies to prove likelihood of confusion, persons were employed by plaintiff to approach certain dealers and ask for "PHILCO" ignition parts for a certain model of a De Soto automobile. There are no Philco parts for repairs of ignition systems. The dealers, obviously knowing that such parts were made, not by Philco, but by Filko, properly served the purchaser by supplying him with the proper repair parts for the ignition set-up of a De Soto automobile of the model inquired about. This is far short of proof of attempt to sell Filko ignition repairs in place of something which Philco manufactured. The evidence in this respect is far from convincing and certainly insufficient to substantiate a decision upon our part that the court's finding of fact in this respect was clearly erroneous. Indeed, we think the evidence amply supports the finding that there is no likelihood of confusion as to the source of

origin. See *Gold Dust Corporation* v. *Hoffenberg,* 87 F. 2d 451 (C. C. A. 2); *Gotham Silk Hosiery Co.* v. *Narrow Fabric Co.,* 102 F. 2d 407; *Nieman* v. *Plough Chemical Co.,* 22 F. 2d 73 (C. C. A. 6); *Thomas Kerfeet and Co.* v. *Louis K. Liggett Co.,* 67 F. 2d 214 (C. C. A. 1); *Rytex Co.* v. *Ryan, et al.,* 126 F. 2d 952 (C. C. A. 7).

Plaintiff asserts that the court should have found that defendant was seeking to justify its action by an unauthorized use of the family name Filko. We think it clear from what we have said that there was no colorable imitation in marking any merchandise likely to cause confusion as to the source of origin. It should be observed in this connection that the use of one's name in his business is proper unless it is so used as fraudulently to cause likely injury to his competitor. Thus the Supreme Court said, in *Brown Chemical Co.* v. *Meyer,* 159 U. S. 540, 544: "A man's name is his own property and he has the same right to its use and enjoyment as he has to that of any other species of property. If such use by a reasonable, honest, and fair exercise of such right, he is no more liable for the incidental damage he may do a rival in trade than he would be for injury to his neighbor's property by the smoke issuing from his chimney, or for the fall of his neighbor's house by reason of necessary excavations upon his own land. These and similar instances are cases of *damnum absque injuria.*" To similar effect is *Singer Mfg. Co.* v. *June Mfg. Co.,* 163 U. S. 169, 187.

For many years last past, Filko has employed his name as designating the name of his ignition repair parts; the record is devoid of evidence of any application of that name by defendant to any goods such as those manufactured by plaintiff. Thus, as we have said, the court's finding that the parties are not in competition is supported

by adequate evidence. Defendant's activities have been confined to a field entirely isolated from that occupied by plaintiff. Being in two entirely different fields of activity, there can be no confusion of source of origin.

The judgment is affirmed.

A true Copy:
Teste:

Clerk of the United States Court of Appeals for the Seventh Circuit.

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CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

OCTOBER TERM, 1948.

No. 596

PHILCO CORPORATION,

Petitioner,

vs.

F. & B. MFG. CO.,

Respondent.

PETITIONER'S REPLY BRIEF.

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THE GUNTHORP-WARREN PRINTING COMPANY, 310 WEST JACKSON, CHICAGO

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Respondent.

PETITIONER'S REPLY BRIEF.

---

1. The Law Is Not Well Settled That a Man May Use His Own Name in His Own Business as an Identifying Mark for His Own Goods.

Respondent's main defense in its opposition to the granting of a writ of certiorari in this action is its contention that a man has the right to use his own name as an identifying mark for his own goods, and we will reply only to this defense.

Respondent's brief states on page 7:

> "The law is well settled that a man may use his own name in his own business as an identifying mark for his own goods when such use is honest, fair and legitimate and where there is no confusion or deception. There are no cases to the contrary, and Petitioner has cited none."

We disagree with counsel that the law governing the use of one's own name in his own business is as above stated.

Counsel disregards the fact that this is a statutory action, and that the Trade-Mark Act of 1946, which the Court of Appeals said was applicable to this action, has the following remedial provision:

> "Sec. 32 (1) Any person who shall, in commerce, (a) use, without the consent of the registrant, any reproduction, counterfeit, copy, or colorable imitation of any registered mark in connection with the sale, offering for sale, or advertising of any goods or services on or in connection with which such use is likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods or services; * * * shall be liable to a civil action by the registrant for any or all of the remedies hereinafter provided * * *."

This Court in *Thaddeus Davids Company* v. *Davids Manufacturing Company,* 233 U. S. 461, held that the statute should be followed in a statutory trade-mark action. In that case, Cortlandt I. Davids and Walter I. Davids were enjoined from using the name DAVIDS as a trade-mark for their own goods and from using the name DAVIDS in their firm name DAVIDS MANUFACTURING COMPANY.

The plaintiff used the name DAVIDS as its trade-mark for ink, and in its corporate name. The defendants, whose names were Cortlandt I. Davids and Walter I. Davids, were using the name C. I. DAVIDS' as the brand name for their ink and were using the name DAVIDS in their business style, DAVIDS MANUFACTURING COMPANY. This Court held that these uses, of the name DAVIDS, infringed plaintiff's registered trade-mark DAVIDS. Mr. Justice Hughes said (471):

> "The distinction between permissible and prohibited uses may be a difficult one to draw in particular cases but it must be drawn in order to give effect to the act of Congress. That the distinction may readily be

observed in practice is apparent. In this case, for instance, if the defendants had so chosen, they could have adopted a distinct mark of their own, which would have served to designate their inks and completely to distinguish them from those of the complainant. It was not necessary that, in exercising the right to use their own name in trade, they should imitate the mark which the complainant used, and was entitled to use under the statute, as a designation of its wares; * * *.

"We agree with the Circuit Court that infringement was shown. The complainant put its mark 'DAVIDS'.' prominently at the top of its labels. The defendants, in the same position on its labels, put 'C. I. DAVIDS'.'. At the bottom of their labels the defendants placed 'DAVIDS MFG. CO.'. The use of the name in this manner was a mere simulation of the complainant's mark which it had duly registered; it constituted a 'colorable imitation' within the meaning of the act. The decree of the Circuit Court accordingly restrained the defendants from the use of the words 'DAVIDS MANUFACTURING COMPANY,' and from the use of the word 'DAVIDS' at the top of their labels in connection with the business of making and selling inks. We think that the complainant was entitled to this measure of protection."

It is significant that the defendants were actually using the full name of one of the partners, and not a part of it, as a trade-mark for the goods of their own manufacture, yet this Court affirmed the lower Court which enjoined the use of the name, C. I. DAVIDS', as a trade-mark holding that such use infringed plaintiff's registered trade-mark. The decision was based squarely upon the remedial provision of the Trade-Mark Statute. Mr. Justice Hughes said (471):

"* * * the right to be protected against an unwarranted use of the registered mark has been made a statutory right, * * *."

Judge Hough, of the Southern District of New York, in deciding this case below (190 Fed. 285), after it came back

to the District Court following an appeal which sustained a demurrer to the complaint, in discussing the alleged rights of an individual to use his own name in his own business, said (286):

> "Undoubtedly this statute as construed limits some rights heretofore thought to have been secured to all men in respect of the use of their own names, * * *."

The relief granted in the Davids case is what the petitioner seeks here—an injunction to prevent the respondent from infringing its federally registered trade-mark PHILCO by the use of the colorable imitation FILKO.

The individual whose name furnishes the pretended justification for respondent's use of FILKO is John Filko—Filko is only part of his name. Respondent is not an individual; it is a corporation. The name is F. & B. Mfg. Co. This is not the case of a man using his own name in his own business, but of a corporation using a part of an individual's name as a trade-mark for its goods.

The defense in this action is that the respondent is doing nothing more than using as a trade-mark the family name of one of the founders of respondent's business. The Trade-Mark Statute does not make an exception of family names. By the same reasoning, if the other founder of respondent's business had been Steve Ford, instead of Steve Bohm, then the respondent would be privileged to put out FORD automotive parts, and the Ford Motor Company would have no cause of action against this infringing use. This is not the law in any of the circuits except the Seventh.

In *L. E. Waterman Co.* v. *A. A. Waterman & Co.*, 229 Ill. App. 630, 13 Trade Mark Reporter 74, Judge Dever, in enjoining the use of the name WATERMAN by the defendant as a brand name for fountain pens even though there was a Waterman connected with the defendant company, said (92):

> "It is our opinion that the only adequate relief pos-

sible to award complainant is to absolutely enjoin the use by defendant of the name Waterman in connection with its manufacture and sale of fountain pens."

In *Garrett, et al.* v. *T. H. Garrett & Co.* (C. C. A. 6), 78 Fed. 472, the defendant company was incorporated by four incorporators, of whom T. H. Garrett was one. The defendant, in trying to justify the use of the name GARRETT in its corporate name, contended that every man had the right to use his own name in his own business, but the use of the name, T. H. GARRETT, was enjoined. Judge Sage said (478):

"While it is true that every man has a right to use his own name in his own business, it is also true that he has no right to use it for the purpose of stealing the good will of his neighbor's business, nor to commit a fraud upon his neighbor, nor a trespass upon his neighbor's rights or property; and, while it is true that every man has a right to use white paper, it is also true that he has no right to use it for making counterfeit money, nor to commit a forgery. It might as well be set up, in defense of a highwayman, that, because the constitution secures to every man the right to bear arms, he had a constitutional right to rob his victim at the muzzle of a rifle or revolver. It has been held, with reference to trade-marks, that a man has not the right to use even his own name so as to deceive the public, and make them believe that he is selling the goods of another of the same name."

In *Walter Baker & Co., Limited* v. *Sanders,* 80 Fed. 889 (C. C. A. 2), Judge Lacombe said (894):

" 'The doctrine is equally well settled that equity will direct how a man shall use his name in his purpose to denote his own individuality. He will not be allowed to so use his own name as to work an injury to another having the same name, nor to perpetrate a fraud on the public.' "

A fair use which respondent could make of John Filko's name would be such as "F. & B. Mfg. Co., John Filko, President," or "F. & B. Mfg. Co., John Filko, General Manager."

If, for example, the respondent were putting out its goods under the trade-mark F. & B., the above uses of the name, John Filko, would be honest, fair and legitimate, since it is not likely that there would be any confusion or deception of the public as to the source of origin of respondent's goods.

In *Chickering et al.* v. *Chickering & Sons,* 215 Fed. 490 (C. C. A. 7), the Court directed an injunction against defendant's use of the name CHICKERING as the name or part of the name of a piano. Judge Mack, in speaking for the Court, said (498):

> "The District Court, in our judgment, has adopted, not only a perfectly reasonable, but perhaps the only available method of protecting both parties in the full enjoyment of their respective rights and at the same time preventing confusion and deception of the public."

In *Andrew Jergens Co.* v. *Bonded Products Corporation,* 21 Fed. (2d) 419 (C. C. A. 2), Judge Swan, in affirming the District Court which enjoined William A. Woodbury from using his own name to designate a soap of his own manufacture, in determining the relief to which the plaintiff was entitled, said (424):

> "The principle that 'no man has a right to represent his goods as the goods of another' is applicable to misrepresentations by the use of a proper name, as well as by other means, even though the name be one which the defendant would ordinarily be privileged to use."

Under the above authorities it is clear that the Court of Appeals for the Seventh Circuit should have enjoined the

respondent from using the name FILKO as a trade-mark, even though it is part of the name of one of the founders of respondent's business.

2. It Is Not Necessary to Show Wrongful Intent on the Part of the Defendant in a Statutory Trade-Mark Action.

Neither the Trade-Mark Statute nor the better considered decisions in trade-mark infringement cases require a plaintiff to show willful intent on the part of a defendant in order to obtain an injunction against the use of a colorable imitation of a registered trade-mark. In the Davids case (233 U. S. 461), this Court said (471):

> "Moreover, in view of this statutory right, it could not be considered necessary that the complainant in order to establish infringement should show wrongful intent in fact on the part of the defendant, or facts justifying the inference of such an intent. (*Lawrence Mfg. Co.* v. *Tennessee Mfg. Co.*, 138 U. S. 537, 549; *Singer Mfg. Co.* v. *June Mfg. Co.*, 163 U. S. 169; *Elgin Nat'l Watch Co.* v. *Illinois Watch Co.*, 179 U. S. 665, 674)."

Mr. Justice Holmes in *Straus* v. *Notaseme Co.*, (1916) 240 U. S. 179, said (182):

> "When they stood upon their rights of course they made themselves responsible for the continued use of a label that might be held likely to deceive, and if it should be held manifestly to have that tendency, they would be chargeable for what in contemplation of law was an intentional wrong, or a fraud, although the case is wholly devoid of any indication of an actual intent to deceive, or to steal the reputation of the plaintiff's goods."

Hat Corp. of America v. *D. L. Davis Corp.*, (1933, D. C. Conn.) 4 F. Supp. 613, involved the use of the name DOBBS as a trade-mark for hats. William H. Dobbs licensed the

use of his name to the defendant corporation. Judge Hincks found that the licensing contract was void, and held that even if it were valid, W. H. Dobbs himself would have no right to use his own name as a trade-mark for hats of his own manufacture. The court said (620):

> "In the United States the courts have frequently used general language to the effect that a man has an absolute right to the use of his own name. See Handler & Pickett, 30 Col. L. R. 196 *et seq.* But a careful reading of such cases will disclose that often the language used is broader than the facts require, and that the cases were ones in which confusion could effectively be averted if the newcomer were required only to qualify his use of the name by prefix, suffix or explanation. Some of the earlier cases, such as *Meneely* v. *Meneely*, 62 N. Y. 427, 20 Am. Rep. 489, failed to recognize that the mere use of the name, even though the use were literally truthful, might convey a false impression to the public. But more recently in such a case the same court has sustained an injunction wholly precluding the use of the surname on the product. *Westphal* v. *Westphal's World's Best Corp'n*, 216 App. Div. 53, 215 N. Y. S. 4, affirmed 243 N. Y. 639, 154 N. E. 638.
>
> *"The extent to which a man may be precluded from the use of his name on account of its prior use by another has never been clearly defined by the Supreme Court."* (Emphasis ours.)

In "Trade Marks & Trade Names," 30 Columbia Law Review 769, by Handler & Pickett, it is said:

> "No matter how devoutly a court incants the fraud rule, malice in the sense of an intention to harm the plaintiff, is nowhere required. Nor does fraud in this connection mean a technical deceit. Little inquiry, if any, is made into the defendant's motives or state of mind. Fraud is inferred from the fact of infringement, and the greater the similarity between the brands, the more readily is the inference drawn. * * *."

In *De Nobili Cigar Co.* v. *Nobile Cigar Co.*, (1932) 56 F. (2d) 324, Judge Morris stated (327):

> "While it is true that every man has a right to use his own name in his own business, it is also true that he has no right to use it for the purpose of stealing the goodwill of his neighbor's business, nor to commit a fraud upon his neighbor, nor to trespass upon his neighbor's rights or property. It has been held, with reference to trade-marks, that a man has not the right to use even his own name so as to deceive the public, and cause a belief that he is selling the goods of another of the same name."

To the same effect is *John B. Stetson Co.* v. *Stephen L. Stetson Co.*, (1936) 85 F. (2d) 586, Judge Swan saying (587):

> "In support of the defendants' appeal, it is argued that the findings upon which the trial court concluded that the defendants practiced unfair competition, are unsupported by the evidence. In substance the argument is that a man has a right to use his own name in trade, unless a fraud is intended, and that Stephen L. Stetson Company, Ltd., which has succeeded to the right of its president, should not be required to do more than print the full name in letters of equal size, as it always has done. We do not understand that the right to use one's own name is absolute unless fraud is consciously planned. A newcomer whose name will cause the public to confuse his product with that of an established competitor may be required 'to take reasonable precautions to prevent the mistake.'"

The Restatement of the Law of Torts, sec. 740, Pg. 620, states the rule as follows:

> "The fact that the designation which the actor uses is his own personal name or the name of the place where the goods which he markets are processed or is descriptive of such goods does not in itself constitute a defense to a charge of infringement under the rule stated in sec. 717.

* * * * *

> "The interest of persons in the use in connection with their business of their personal names, or of the geographical names of the places where the goods which they market are manufactured, or of words descriptive of them, is recognized and protected to the extent stated in secs. 720-722. But their privilege to use such words or names is not absolute. It is qualified to the extent necessary to prevent one from misleading prospective purchasers, by the use of such names or words, into the erroneous belief that the goods which he markets are the goods with which another's trade-mark or trade name is associated. That the actor uses a descriptive word or a geographical or personal name does not change the nature of the issues on the question of infringement as stated in sec. 717."

Even though it is not necessary that willful intent be shown on the part of the respondent, to trade upon the reputation of the petitioner it is present in this case.

Respondent, in its advertising, is capitalizing on the similarity of the names PHILCO and FILKO. In its advertisement in the December, 1944 issue of FLEET OWNER (Pet. Ex. 78) appears the slogan, "For Positive Start and Go Use Ignition Parts by Filko," thus emphasizing by this jingle the phonetic identity of FILKO and PHILCO. In this same advertisement these statements appear: "Filko Standard," "Filko's 22 years in ignition," "Ask for FILKO coils by name," and "And they're INDIVIDUALLY TESTED before they leave the Filko Factory where they are built complete from start to finish."

"FILKO" products have not been on the market for twenty-two years. There is no "Filko Factory." Respondent has never used the name FILKO in its business entity. When the business was founded it operated under the business style, F. & B. Manufacturing Company, and when it incorporated it contracted its business style to F. & B.

Mfg. Co. The emphasis on the name Filko in respondent's advertising is obvious.

Conclusion.

A very urgent reason why this petition should be granted is to clarify the law for the benefit of the Court of Appeals for the Seventh Circuit in regard to the use of a surname which is a colorable imitation of a registered trade-mark.

The decision of the Court of Appeals for the Seventh Circuit regarding the use of a personal name as a trade-mark is in contravention of the federal trade-mark statute, the International Conventions, the decisions in other circuits, and, indeed, the decisions of this Court.

We urgently request that this petition be granted.

Respectfully submitted,

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1948.

No. 596

PHILCO CORPORATION,

Petitioner,

vs.

F. & B. MFG. CO.,

Respondent.

BRIEF OF RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

To the Honorable, the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

The Petition for a Writ of Certiorari should be denied because: (a) The case relates only to an ordinary trade-mark infringement suit; (b) It does not involve any of the important and special reasons for granting a Writ of Certiorari as provided by the Rules of the Supreme Court of the United States (Rule 38, par. 5); (c) The Supreme Court has already had before it at least one case involving the Trade-Mark Act of July 5, 1946, in *Coca-Cola Co.* v. *Snow Crest Beverages, Inc.*, 332 U. S. 809 (Certiorari denied Oct. 27, 1947); (d) The case involves concurrent findings of fact by two courts below and should not be reviewed, as held in *Graver Tank & Mfg. Co., Inc.* v. *Linde Air Products Co.*, 69 S. Ct. 535.

I.

CONCISE STATEMENT OF FACTS.

The original Bill of Complaint in this case was filed in the United States District Court for the Northern District of Illinois, Eastern Division, on August 9, 1945, entitled "Philco Corporation, Plaintiff *vs.* John Filko and Harold Rapp, d. b. a. F. & B. Manufacturing Co., Defendants, Civil Action No. 45 C 1343" (R. 2). John Filko, one of the original defendants herein, started business in Chicago in 1923, and at that time had a partner named Steve Bohm. The partnership remained in force until 1926 (R. 143) whereupon John Filko became the sole owner and proprietor of the entire business. John Filko started using his own name, in his own business, in the style of "filko" as a trade name in the year 1935 (R. 155). John Filko used his own name as a mark to designate his own goods in his own business of which he was the sole owner. In 1937 John Filko took in another partner, Harold Rapp, and continued the use of that mark under the partnership with Mr. Rapp (R. 143).

In June, 1946, the latter partnership incorporated, and John Filko became, and still is, the president of the corporation (R. 142, 143). It was not until March 12, 1947, that an amended Bill of Complaint was filed by the Petitioner herein against the corporation (R. 2) which was more than *twelve years* after the time John Filko started to use his own name in his own business, and more than *one and one-half years* after the original complaint was filed.

The business carried on by John Filko as the sole owner, the business carried on by the subsequent partnership, and the business carried on by the company which was incorporated in June, 1946, consisted in making metal stampings

and in making replacement parts for automobile ignition systems (R. 144, 188). These goods are different from the radio, refrigeration and television parts made by the Petitioner.

Petitioner has continuously referred to wrenches made by the Respondent. Such few wrenches as may be made by the Respondent are merely stampings. The record is completely devoid of any reference to whether or not these wrenches carry Respondent's mark. Actually, however, these devices do not carry any mark at all (R. 150).

John Filko was fifty-four years old at the commencement of the trial (R. 141). Filko has always been the family name, and John Filko has spelled it the same way since he was born (R. 142). Petitioner's earliest use of the mark "Philco" was in 1919, *twenty-six years* after John Filko was born.

II.

JURISDICTION.

The jurisdiction of this Court is based primarily upon Section 240 of the Judicial Code (28 U. S. C. Sec. 347). Petitioner asserts that the issue here involves the construction of the remedial section of the Federal Trade Mark Act of July 5, 1946 (15 U. S. C. 1114 (1)).

Petitioner, on page 6 of the petition states:

> "This is the first time this new trade-mark act has been before this Court for construction."

This assertion is incorrect because the Supreme Court already has had before it for consideration this same Trade Mark Act of 1946 in *Coca-Cola Company* v. *Snow Crest Beverages, Inc.*, 332 U. S. 809, wherein certiorari was denied on October 27, 1947.

Whether the remedial section of the Act of July 5, 1946, or the former Trade-Mark Act of 1905 (15 U. S. C. 96) is invoked makes no difference as far as the facts in this case are concerned.

III.

THE QUESTION PRESENTED.

Since John Filko was one of the original defendants in this case, and since he adopted his own *surname* as an identifying mark for his own goods at the time he was conducting his own business by himself as a sole owner and later in the partnership for ten years, and later in the present corporation, there appears to be only one question to decide and that question is:

> "May a man innocently acting in good faith fairly and honestly adopt and use his own name in a manner not calculated to deceive in conducting a useful, honest and legitimate business?"

IV.

REASONS FOR DENYING THE WRIT.

1. Petitioner's Reasons for Allowance Not Supported by the Evidence.

(1) Petitioner complains, as its first reason for allowing the writ, that it has been denied the remedies afforded the owner of a registered trade-mark for infringement by colorable imitation of the mark under Section 32 of the Federal Trade Mark Act of 1946 (15 U. S. C. 1114) which provides relief against the use of an *infringing mark which is calculated to cause confusion or mistake or to deceive purchasers as to the source of origin* of the infringer's goods. This assertion, however, presupposes infringement

as well as the existence of confusion or deception of purchasers. Both the U. S. District Court (R. 337) and the U. S. Court of Appeals for the Seventh Circuit (R. 364) found that the Petitioner had not proved any confusion or deception, and held that Respondent's use of his own name did not infringe Petitioner's registered trade-marks. Therefore, the remedy provided by either the 1905 Act or the 1946 Act cannot be considered to have been denied.

(2) The decision of the Court of Appeals gave to Petitioner all the protection to which it was entitled under its registered trade-marks, since the owner of a trade-mark cannot prevent the use by an individual of his own surname in an honest and legitimate manner.

(3) The Court of Appeals affirmed the lower court and held that there was no misappropriation of Petitioner's trade-marks. These courts correctly found that there was neither a misappropriation nor a misrepresentation resulting from the use by Respondent of the individual surname of one of the original defendants.

(4) Whether or not Petitioner and Respondent are in actual competition is of no moment in this case because Respondent's mark is that of a surname of one of the *original defendants* which Respondent is entitled to use. Therefore, this case does not come within the holding of *Lady Esther, Ltd.* v. *Lady Esther Corset Shoppe, Inc.*, 317 Ill. App. 451, upon which the Petitioner seems to rely.

(5) The decision of the Court of Appeals is not in conflict with the General Inter-American Convention for trade-mark and commercial protection (46 Stat. 2907) since this Convention does not refer to the use of a personal name.

(6) At the time John Filko first used his own surname as an identifying mark for his own goods in 1935, he was the sole proprietor of his own business. At the time this suit was brought it was against John Filko and Harold Rapp,

doing business as F. & B. Manufacturing Co., and therefore the facts are contrary to Petitioner's allegations on page 9 of its petition that the mark or name "filko" was the surname of "one of the respondent's officers", or "a person connected with the infringer", or "someone connected with the infringer".

The U. S. Court of Appeals for the Seventh Circuit held that Respondent had the right to use the name "filko" as a trade-mark because that was John Filko's own name which he began using when he was in business for himself. Neither the Trade Mark Act of 1905 nor the Act of 1946 makes any specific provision with respect to personal surnames, neither condoning nor prohibiting the use of such name. The law with respect to the use of personal names as trade-marks is an outgrowth of judicial determination and the courts have always held, and still hold, that a man has the right to use his own name in his own business as long as he uses it in such a way that does not cause confusion or deception in the trade.

(7) There are no cases which have ever prohibited a man from using his own name in his own business where that use was honest and fair and without any deceptive intent or purpose. Contrary to Petitioner's statement on page 9 of its petition, the cases relied upon by Respondent *were not* specifically overruled by this court in *Waterman* v. *Modern Pen Co.*, 235 U. S. 88.

(8) The decision of the Court of Appeals for the Seventh Circuit is in complete accord with decisions of other Circuits where similar circumstances prevailed with regard to the use of a personal surname. Petitioner cites several cases on pages 10 and 11 of its petition from other Circuits where the use of infringing marks were enjoined. Not one of these cases enjoined the use of a personal surname.

The marks AUNT JEMIMA, SEVENTEEN, and VOGUE, involved in the cases cited by Petitioner, are not personal names.

In *Yale Electric Corporation* v. *Robertson*, 26 F. (2d) 972, cited by Petitioner, the party against whom the injunction issued prohibiting the use of the word "Yale" had no one connected with it by the name of Yale.

Likewise in *Waterman* v. *Gordon*, 72 F. (2d) 272, also cited by Petitioner, there was no one by the name of "Waterman" connected with defendant.

The law is well settled that a man may use his own name in his own business as an identifying mark for his own goods when such use is honest, fair and legitimate and where there is no confusion or deception. There are no cases to the contrary, and Petitioner has cited none.

2. Findings of Fact and Conclusions of Law Fully Supported by the Evidence.

The District Court entered Findings of Fact and Conclusions of Law and Final Judgment on June 26, 1947, in favor of the defendant (R. 332-335), 76 U. S. P. Q. 226.

The Court of Appeals for the Seventh Circuit found the Findings of Fact supported by the weight of the evidence and affirmed the judgment of the District Court on December 3, 1948 (R. 364), 170 F. (2d) 958, and thus followed Rule 52(a) of the Federal Rules of Civil Procedure, which reads in part:

> "Findings of fact shall not be set aside unless clearly erroneous, and due regard shall be given to the opportunity of the trial court to judge of the credibility of the witnesses."

V.

ARGUMENT.

1. The Court of Appeals Did Not Deny Petitioner Any Remedy to Which It Was Entitled.

Irrespective of whether the Trade-Mark Act of 1905, or the Trade-Mark Act of 1946, is applicable here, Petitioner would be entitled to a remedy, such as an injunction under the Act of 1905, only if Respondent colorably imitated Petitioner's mark and affixed the same "to merchandise of substantially the same descriptive properties as those set forth in the registration"—or under the Act of 1946, only if Respondent colorably imitated Petitioner's mark and wherein such use of the mark was "likely to cause confusion or mistake or to deceive purchasers as to the source of origin of such goods".

The District Court and Court of Appeals both recognized the obvious differences between the goods, the class of purchasers, the manner of advertising, and manner of packaging of the respective parties and, therefore, held that the Petitioner was not entitled to any relief whatsoever. Furthermore, both these courts recognized that Petitioner failed to prove any confusion or palming off and, therefore, Respondent's use of the mark was not likely to cause confusion, or mistake, or to deceive purchasers as to the source of origin of such goods. The District Court made this holding under the Act of 1905, and the Court of Appeals made the same holding under the Act of 1946.

As a further consideration, both courts recognized the right which a man has to use his own name in his own business to identify his own goods, and that any injury which might be caused to others as a result of the honest and fair

use of a man's own name would be *damnum absque injuria. Brown Chemical Co.* v. *Meyer*, 139 U. S. 540; *Singer Mfg. Co.* v. *June Mfg. Co.*, 163 U. S. 169.

The law of trade-marks with respect to the use of a man's own name has grown up as an exception to the general law of trade-marks under the Acts of 1905 and 1946. Neither Trade-Mark Act makes any specific provision as to the use of a man's own name in his own business either condoning or prohibiting it. Therefore, the law must be held to be the same now as it was before either of the Trade-Mark Acts were passed.

Had it been the intent of Congress to change this law, the Act of 1946 would have specifically provided that the remedial section applies with equal force to all trade-marks whether or not they be personal surnames. No such provision was made in either of the Trade-Mark Acts, and therefore, a personal name assumes a peculiar place in the trade-mark law not applicable to arbitrary marks.

2. Petitioner Failed to Prove Any Likelihood of Confusion.

Respondent manufactures automotive ignition parts for replacement purposes only. These parts were defined by the witness John Filko as being:

> "Stationary and movable electrical parts in the automobile that force the current, the electricity into the engine for their force." (R. 141).

Petitioner's goods are not automotive ignition replacement parts. Respondent sells no parts to automobile manufacturers or dealers which are used as original new equipment, but sells only *replacement* parts (R. 157, 188). Respondent does not handle or deal in radios or radio parts. The only parts Petitioner makes which can be used in an

automobile are for the automobile radios. Respondent's goods are not for radios and cannot be used for radios. Petitioner's goods cannot be used in an automobile ignition system (R. 153).

The diagram on Page 5 of Petitioner's Brief, (Pet. Ex. 82) is merely a hypothetical illustration of what may be done provided such a circuit were used in new original equipment. Respondent makes no original equipment but only *replacement* parts for ignition systems, and never sells to automobile manufacturers. The attempt of the witness Nichol in preparing Exhibit 82 has utterly failed and is not in point. The hook-up illustrated in Exhibit 82 never did exist, no one has used such a system, and such a system could never possibly become an actuality.

Petitioner asserts, on page 15 of its petition, that the likelihood of confusion was proven by the psychology professor Norman C. Meier and the witness L. W. Stratton. The testimony of the psychologist Meier can be summarily dismissed for two reasons. The tests which he conducted were confined to his classroom and he merely tested the reactions of students (R. 68) in an age group from 21 to 26 (R. 65). This was a select group of a comparatively few members of a specific class and was not a representative cross section of the United States or the purchasing public.

Furthermore, the opinion of Professor Meier in this case, who was "on the Advisory Board of the American Institute of Public Opinion, commonly known as the Gallup Poll" (R. 61), is no better than his opinion in the election of November, 1948.

The little value of the witness Stratton's testimony may be recognized by his statement that the store of which he was manager did not carry a line of ignition or replacement parts for automobiles (R. 113). He also expressed his opinion as an expert that the marks RED HEART and STRONG

HEART for dog food would be confusingly similar, but this opinion is contrary to the opinion of the Court of Appeals for the Seventh Circuit in *John Morrell & Co.* v. *Boyd W. Doyle, et al.*, 97 F. (2d) 232, in which those two marks were involved.

Petitioner attempted to show actual confusion and a passing off of "filko" products on written orders for "Philco" products, but the Court of Appeals correctly held that the character of this evidence was insufficient to show any confusion.

Petitioner attempted to prove confusion by having professional investigators make purchases. These investigators significantly went only to dealers who did not carry radio parts or any other parts manufactured by the Petitioner, but rather went to dealers who deal exclusively in replacement repair parts for automobile ignition systems. In three instances, women presented to the dealer a written slip of paper asking for a "Philco" condenser or a "Philco" coil, both for a 1941 DeSoto (R. 117, 125, 129). In all instances these women were given "filko" condensers and a "filko" coil because the dealer in each case was well aware of the fact that the Philco Corporation does not make condensers or coils for automobiles.

In one instance one of Petitioner's investigators asked for "filko" brushes (R. 132) and was given "AMPCO" brushes, made by American Motor Products Co. In another instance when an investigator asked for a "Philco" condenser (R. 129) he returned with a product made by the Standard Motor Products Company (R. 165). These two companies are competitors of Respondent (R. 164, 165).

The investigators which the Petitioner employed in this case were Lampa & Christopherson, a firm of professional investigators (R. 114) and the Pinkerton National Detective Agency (R. 128). Naturally, if it required the Pinker-

ton National Detective Agency and the professional investigating firm of Lampa & Christopherson to obtain a part asked for under another name, then of course it is clearly indicative that there is neither actual confusion nor any likelihood of confusion. Moreover, each party got what he wanted and was not confused.

Respondent does not make, sell, handle or otherwise deal in any parts which are made, sold, handled or dealt in by Petitioner (R. 182, 212).

Respondent does not manufacture, sell or otherwise handle any of the items listed in any of Petitioner's trade-mark registrations (R. 213, 214).

The witness Steinruck, who is the secretary of the Petitioner Philco Corporation, was handed a list of all the goods made by it and was asked to name the parts manufactured by Petitioner which could be called automotive ignition parts. The only item which he could mention as coming closest to this classiffication was a hydrometer syringe (R. 54), which of coursse has no relation to, and is not a part of, an automotive igmition system.

The Court of Appeals in view of this evidence was clearly justified in holding that there was no likelihood of confusion as to the source of origin of Respondent's products.

3. The Court of Appeals Was Correct in Not Considering the Lady Estther Case.

The original claim of unfair competition by Petitioner has been abandoned and was abandoned before the Court of Appeals.

Petitioner's brief on page 17 discusses the case of *Lady Esther, Ltd.* v. *Lady Esther Corset Shoppe, Inc.*, 317 Ill. App. 451, which it maintains the Court of Appeals should have considered but did not. This case relates to the law of unfair competition.

The original Bill of Complaint asserted that the use of Respondent's mark on its goods was likely to produce confusion and was likely to cause Respondent's goods to be passed off as the goods of Petitioner, and therefore such use constituted unfair competition (R. 5). It is to be noted that the allegation of the complaint relates to the *likelihood* of confusion and the *likelihood* of passing off but does not allege any actual passing off.

When Petitioner appealed to the Court of Appeals, this phase of unfair competition was omitted, and nowhere in its brief before the Court of Appeals did Petitioner object that there had been no finding of unfair competition.

The District Court held, and the Court of Appeals affirmed the holding, that the original complaint did not allege actual confusion or palming off, and in any event none had been proved. Since Petitioner abandoned its assertion of unfair competition before the Court of Appeals, it cannot now re-assert this phase of the action, regardless of the law. The *Lady Esther* case, *supra*, in any event is not pertinent.

4. A Man Always Has the Right to Use His Own Name in His Own Business in a Manner Which is Not Deceptive.

In the first paragraph on page 19 of its brief Petitioner has misstated the position of the Court of Appeals with respect to the name "Filko". Petitioner states that the position of the Court of Appeals was that Defendant had the right to use the name "Filko" as a trade-mark "because it is the name of one of Defendant's officers". The Court of Appeals was not misled by Petitioner's statement that "Filko" was the surname of one of Defendant's officers. The Court of Appeals recognized that Filko employed his own name for many years as designating the

ignition repair parts which he made. At one point in the opinion the Court of Appeals stated (170 F. (2d) 958, 961):

> "It should be observed in this connection that the use of one's name in his business is proper unless it is so used as fraudulently to cause likely injury to his competitor." (R. 369.)

And again later in the opinion the Court of Appeals noted:

> "For many years last past, Filko has employed his name as designating the name of his ignition repair parts." (R. 369.)

The cases relied upon by Respondent and followed by the Court of Appeals include *Brown Chemical Company* v. *Meyer*, 139 U. S. 540; *Singer Mfg. Co.* v. *June Mfg. Co.*, 163 U. S. 169; and *Howe Scale Company* v. *Wyckoff, Seamans & Benedict*, 198 U. S. 118. Petitioner complains that these are all old cases decided prior to the passage of the Trade-Mark Act of 1905. This is immaterial because, as pointed out above, neither the Trade-Mark Act of 1905 nor the Trade-Mark Act of 1946 specifically condones or prohibits the use of a man's own name in his own business as an identifying mark for his own goods. Neither of the Trade-Mark Acts changes the law in this respect from what it has always been and still is.

Petitioner asserts that these earlier cases were specifically overruled by this court in *Waterman* v. *Modern Pen Co.*, 235 U. S. 88. This is not true. Petitioner erroneously asserts that the law now holds that a man may not use his own name in his own business if it is similar in any respect to a registered trade-mark owned by another.

The *Waterman* case, *supra*, holds in effect that if a man uses his name as an identifying mark for his own goods, and that use leads the public to understand that those goods are the product of a concern already established, then the owner of such name must take reasonable precau-

tions to prevent confusion. This case did not prevent Waterman from any use of that name, but merely required him to take reasonable precautions, by the addition of certain words, to prevent any fraud. Even in that case the court still permitted the use of the name "Waterman".

Petitioner also relies upon certain provisions of the General Inter-American Convention for Trade-Mark and Commercial Protection and of the Union Convention preventing the use of similar marks "calculated directly or indirectly to represent that the goods or business of a manufacturer * * * are the goods or business of another manufacturer * * *." The present case is also outside the scope of these provisions because it was clearly proven by Respondent that the use of the mark "filko" was not calculated in any way to deceive anyone.

5. The Decision of the Court of Appeals Is Not in Conflict with the Trade-Mark Statute, the International Conventions, the Law of Illinois, nor the Decisions of Other Circuits.

It has already been pointed out that the Court of Appeals affirmed the decision of the District Court to the effect that, because the trade-mark "filko" was the surname of John Filko, and was used by him in a fair and honest manner to identify his own goods, there was no likelihood of confusion. Therefore, were there any injury to Petitioner (although the court found that there was not) it would come within the doctrine of *damnum absque injuria*. (*Brown Chemical Co.* v. *Meyer*, and *Singer Mfg. Co.* v. *June Mfg. Co.*, both *supra.*)

The Court of Appeals decision is not in conflict with any decisions of other circuits. In making the assertion that there is a conflict, Petitioner relies upon *Waterman* v. *Gordon*, 72 F. (2d) 272, "wherein the use of the name

Waterman was enjoined on razor blades". It is interesting to note that in this case *there was no one connected with the defendant by the name of "Waterman"*, so that the injunction was not against the use of a man's own name in his own business.

The case of *Yale Electric Corporation* v. *Robertson*, 26 F. (2d) 972, was also relied upon by Petitioner to show that the use of the trade-mark YALE on flashlights and batteries was enjoined. Again it is noted that there was no one by the name of "Yale" connected with Yale Electric Corporation, and again the case does not relate to the use of a man's own name to identify his own goods.

6. The Decision of the Court of Appeals Is Not Injurious to the Good Will Inherent in Trade-Marks.

Petitioner complains that if the Court of Appeals opinion is permitted to stand it will greatly diminish if not destroy the existing good will in trade-marks. There is an even greater amount of good will in a man's own name when used as an identifying mark for his own goods, and if a man is prevented from using his own name in a fair, honest and legitimate manner merely because another party adopts as its trade-mark a coined word similar to a surname which someone else had first, then it will destroy the fundamental legal right which everyone has in the use of his own name.

7. Concurrent Findings of Fact by Two Courts Ordinarily Not Reviewed.

The Court of Appeals for the Seventh Circuit found that the findings of fact are based upon evidence produced before the trial court. Findings of Fact will not be set aside unless clearly erroneous, as set forth in Rule 52(a) of the Federal Rules of Civil Procedure and as mentioned in the Supreme Court case of *Graver Tank & Mfg. Co.*,

Inc. v. *Linde Air Products Co.*, decided February 28, 1949, 69 S. Ct. 535. In this case the Supreme Court applied this rule and stated:

> "A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error."

In the present case, the District Court had the opportunity to judge of the credibility of the witnesses. The Court of Appeals made the necessary allowances for the advantages possessed by the trial court in appraising the testimony, and there has been no very obvious and exceptional showing of error.

8. Additional Authorities in Support of Respondent's Contention.

Other cases in point which support Respondent's position but which are not specifically discussed and briefed herein are:

Taylor Instrument Companies v. *Fawley-Brost Co.*, 139 F. (2d) 98.

Coca-Cola Co. v. *Snow Crest Beverages, Inc.*, 162 F. (2d) 280; Cert. den. 332 U. S. 809.

California Fruit Growers Exchange v. *Sunkist Baking Co.*, 166 F. (2d) 971.

Quaker Oats Co. v. *General Mills, Inc.*, 134 F. (2d) 429.

VI.

CONCLUSION.

The law of the Court of Appeals for the Seventh Circuit as decided in this case is no different from the law of any other circuit where similar circumstances have prevailed.

No court has ever completely prevented the use of a man's name in his own business to identify his own goods, particularly where this use has been honest and fair.

Both the District Court and the Court of Appeals held that:

(a) The goods of the Petitioner and Respondent are different;

(b) Respondent does not manufacture, handle, or otherwise deal in any of the goods manufactured by Petitioner;

(c) Respondent makes no original equipment but furnishes only replacement parts for automobile ignition systems;

(d) Petitioner's goods cannot be substituted for any of Respondent's parts, and Respondent's parts cannot be substituted for any of Petitioner's goods;

(e) Petitioner and Respondent use different modes and types of advertising;

(f) Petitioner and Respondent serve different classes of purchasers;

(g) Petitioner did not prove any confusion;

(h) Petitioner did not prove that there was likely to be any confusion;

(i) Respondent had not practiced deception;

(j) There was no competition between the parties.

There are no special or important reasons, and therefore no basis, for the granting of a Writ of Certiorari to the Court of Appeals for the Seventh Circuit. Petitioner's request, therefore, should be denied.

Respectfully submitted,

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